

**DRAFT MEETING MINUTES
CITY OF MILPITAS**

Minutes of: Regular Meeting of the Redevelopment Agency
(Including Joint Meeting with the City Council)

Date: Tuesday, March 7, 2006

Time: 7:00 PM

Location: City Hall Council Chambers, 455 E. Calaveras Blvd.

JOINT REDEVELOPMENT AGENCY AND CITY COUNCIL MEETING

RA1. CALL TO ORDER Mayor/Agency Chairman Esteves called to order the regular meeting of the Milpitas Redevelopment Agency, meeting jointly with the City Council, at 7:48 PM.

RA2. ROLL CALL **PRESENT:** Mayor/Chair Esteves, Vice Mayor/Vice Chair Gomez, and Agency/Councilmembers Giordano and Polanski

ABSENT: Agency/Councilmember Livengood

RA3. MINUTES Motion: approve the Redevelopment Agency minutes of February 21, 2006, including joint meeting with the City Council, as submitted.

Motion/Second: Agency/Councilmember Giordano/ Agency/Councilmember Polanski

Motion carried by a vote of: AYES: 4
NOES: 0
ABSENT: 1 (Livengood)

RA4. Approval of Agenda and Consent Calendar Motion: approve the agenda and consent calendar for the Agency

Motion/Second: Agency/Councilmember Giordano/ Agency/Councilmember Polanski

Motion carried by a vote of: AYES: 4
NOES: 0
ABSENT: 1 (Livengood)

RA 5. Progress Report on Library and East Parking Garage

Jeff Adams of Cheung Partners was present with City staff Mark Rogge to discuss the progress of Projects No. 8162 and No. 8161.

The latest overall cost estimate for the library project remained at \$12.5 million. Current construction cost estimates were slightly reduced to prepare for expected later increases in costs, including anticipated increases for materials.

Mr. Rogge reviewed the status of the garage design and the connector between the parking garage and the library building. Additionally, he discussed the No. Main Street Utilities Project with the latest details of the undergrounding of utilities in the Mid-Town area, which was preparing to get underway. He further detailed some of the recent land acquisition, hazardous materials abatement and site preparation.

MOTION: receive the staff progress report on the new library and surrounding projects

Motion/Second: Vice Chair/Vice Mayor Gomez/ Agency/Councilmember Polanski

Motion carried by a vote of:

AYES: 4

NOES: 0

ABSENT: 1 (Livengood)

**RA 6. Agreement for
Consultant Services with
Critical Solutions, Inc.**

Staff Mark Rogge discussed why Critical Solutions Inc (CSI) was selected to be the project management team for the new Milpitas library (Projects No. 8162, 8161, 8165, 8153, 8154, and Other Projects as Assigned).

The Critical Solutions, Inc. team consisted of President Ron Johnson, Project Manager Tom Hedges, and Construction Manager Darryl Witbeck from the firm, who were present at the meeting. This company constructed the Santa Clara New Central Park Library, Shasta County Library/Redding Main, Kaiser Parking Garage, Evergreen Community College Library and Educational Technology Center, among other recent successful projects.

The Construction Manager highlighted work that they were now completing for the San Mateo New Main Library, Berkeley Central Library (historic facility façade), and the University Circle Parking Garage (East Palo Alto).

Councilmember Giordano asked, what was the cost for this project relative to overall costs (based on other libraries)? CSI management said it depends on the nature of the contract and gave an example of 6-7% of construction costs for another city's library building. Mark Rogge responded that the cost was in line with other similar projects. The sum is a lump sum fixed, with other costs variable.

Councilmember Polanski asked if the team presented tonight was the same team that was scheduled to work throughout the life of the library project? Yes was the reply.

Vice Mayor Gomez wondered if City staff had a more integrated role in project. Mr. Rogge responded stating that it was City staff's job to ensure that CSI complied with the contract and performed work as documented. Also, staff would be out in the field as construction proceeds. He detailed which staff would be out there in the field.

Mayor Esteves asked how would the organization chart look when staffed, and wanted to know who was the main "number one" person in charge of this significant building in Milpitas. Mr. Tom Hedges responded it would be him. He addressed the issue of keeping change orders to a very minimum on a project of this size.

MOTION: Authorize the City Manager to execute an agreement with Critical Solutions, Inc. in the amount of \$2,200,000, subject to approval as to form by the City Attorney

Motion/Second: Vice Chair/Vice Mayor Gomez /Agency/Councilmember Polanski

Motion carried by a vote of:

AYES: 4

NOES: 0

ABSENT: 1 (Livengood)

**RA 7. Consideration of the
Draft 2005-10 Redevelopment
Implementation Plan**

Economic Development Manager Diana Whitecar presented the draft plan to the Council. She reviewed the two project areas in Milpitas: RDA Plan Area No. 1 and the Great Mall (with an 11/2/08 expiration date).

The Plan could celebrate successes and achievements as highlighted, with transportation, utilities, public infrastructure, and open space as the noted major investments over the last five years.

She further identified seven major projects completed in the redevelopment area, including storm drain improvements, sewer & water projects, Milpitas Sports Center and Senior Center improvements, Civic Center improvements, City Identification signs and Mid-Town area improvements. Current Goals and Objectives were detailed, noting that especially commercial rehabilitation needed attention. She explained in some detail, in response to Vice Mayor Gomez's inquiry on this detail of the plan.

Ms. Whitecar also discussed the adopted Capital Improvement Program, including the total funds for CIPs generated from Redevelopment money. She reviewed current law and approaches statewide, with regard to CIP funding.

With regard to affordable housing, the project area through December 2014 would accumulate \$52 million toward future affordable housing. The total number of units created over the last five years was 456. Revenues & Expenditures for 2005-2010 were examined (as in the written report). Required debt services, in addition to expenditures on major projects such as the library and senior center, were identified.

Conclusions:

For 80% of the RDA Fund: the city needs an active CIP Plan, and with moderate growth such as 4%, with bond proceed obligations met, the RDA fund would not cover expenditures within five years. Therefore, there was a need to refocus on projects that would create tax increment revenue growth, without impacting General Fund.

For the 20% Set Aside Fund: there were active programs, which could expand, and the City has met its senior low-income housing requirement with the DeVries Place project, now underway.

Councilmember Polanski stated she wanted to move the public hearing date later into the spring a bit, as she needed more time to review the draft plan in detail, and wanted more time to read it and comment.

Councilmember Giordano inquired as to whether the 20% housing set aside funds were addressed in the General Plan's Housing Element. Planning staff would address this at the next City Council meeting.

Vice Mayor Gomez asked Ms. Whitecar when the plan must be adopted, and she responded: within the Fiscal Year.

MOTION: request staff continue the preparation of the 2005-2010 Redevelopment Implementation Plan, with further public discussion scheduled at the April 18, 2006 City Council meeting, and at that meeting, schedule a public hearing date in the future to adopt the final plan.

Motion/Second: Agency/Councilmember Polanski / Mayor/Chair Esteves

Motion carried by a vote of:

AYES: 4

NOES: 0

ABSENT: 1 (Livengood)

***RA 8. Plans & Specifications
and Ad for Bid Proposals**

Approved plans and specifications, and authorized advertising for bid proposals for the North Main Street Development Soil Remediation and Site Preparation, Project No. 8154

***RA 9. Resolution of Initial
Acceptance of the Coyote
Creek Trail, Reach 1**

Adopted Resolution No. RA 249 Granting Initial Acceptance of the Coyote Creek Trail Reach 1, Project No. 4206.

***RA 10. Purchase Order for
Legal Services**

Approved Purchase Order for Meyers, Nave in the amount of \$300,000, for public works litigation expenses for FY 2005-06 and approved appropriate in the amount of \$300,000 from the Redevelopment Agency undesignated reserves to the City Attorney's Department Supplies and Services Budget for FY 2005-06.

RA 11. ADJOURNMENT

Chair/Mayor Esteves adjourned the Redevelopment Agency meeting at 8:56 PM.

Meeting Minutes respectfully submitted by:

**Mary Lavelle
Agency Secretary/City Clerk**